

Florence, Elaine J CIV NAVSUP FLC Jacksonville, 220

From: Stacey, Shawn L. CIV USN GTMO <Shawn.Stacey@gtmo.navy.mil>
Sent: Thursday, March 16, 2017 9:16
To: Florence, Elaine J CIV NAVSUP FLC Jacksonville, 220
Cc: Novotny, Robert E CIV CNRSE, N3; Christoffersen, Chris CIV Commander Navy Region SE
Subject: FW: Scan from a Xerox WorkCentre
Attachments: img-316090332-0001.pdf

Elaine,

Received a phone call from Capt. Marty this morning asking if I could come see him IRT a letter from MCM to two Florida Congressmen. When I got down to his office I was handed three envelopes one addressed to Contracting Officers Representative, Port Operations US Naval Base Guantanamo Bay, Cuba the other two where to Port Operations Officer and to The Commanding Officer. Attached is the content of my letter. I gave LCDR Yeich the other two letters.

Standing By,
Shawn

-----Original Message-----

From: WorkCentre 5325 [mailto:XEROXSCAN1@gtmo.navy.mil]
Sent: Thursday, March 16, 2017 9:04 AM
To: Stacey, Shawn L. CIV USN GTMO
Subject: Scan from a Xerox WorkCentre

Please open the attached document. It was scanned and sent to you using a Xerox WorkCentre.

Number of Images: 4
Attachment File Type: PDF

Device Name: WorkCentre 5325
Device Location:

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<http://www.xerox.com/>



March 15, 2017

Congressman Carlos Curbelo
US Representative

Via Email

c/o Roy Schultheis, Chief of Staff

Re: Request that you inquire why has NAVSUP-FLC post award, relaxed a Competing Contractor's performance requirements of the mission critical Guantanamo Base Port Operations contract (RFP N68836-16-R-0003) by providing it, first a one (1) month opportunity to cure its default and, when unable to cure within the one month period, providing it an additional three (3) month period to cure its default, for a total 4 month opportunity to cure, all along utilizing MCM to run the critical Port operations (via extensions to MCM's contract).

Dear Honorable Sir:

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The Contract provided Seaward 30 days for post award transition into the Port Operations Services contract at Guantanamo. During that transition the contract required Seaward to mobilize a 70+ personnel as well as necessary equipment. Despite having the month of November, December, and January, at 12:00 AM midnight 1 February 2017, the official date of turnover/transition, Seaward only produced 6 people. The resulting chaos was inevitable. The same day, the Guantanamo base supply ship had no tug and Pilot service because of Seaward's failure, and it took 6 hours doing circles out at sea, until it motored in under its own power without Tug or Pilot assistance. Additionally, the base fuel Tanker could not depart until the Navy itself provided line handlers to cast the ship off the dock. MCM was ordered by the Port Operations Commander and Contracting Officer to return and resume operating for an additional 30 days to remedy Seaward's failure. Thankfully, MCM stepped in within hours of Seaward's failure, and as a result, was successfully handled the next day an emergency medical evacuation, transporting an ambulance and patient across Guantanamo Bay with MCM's captains and support personnel manning the mission. MCM continues to successfully perform to this day.

Since February 1st, the Contracting Officer ordered, yet again, that MCM continue operating the Port Services another 3 months. MCM dutifully honored this request, as the Naval Station Guantanamo Port Operations are critical to the various

important missions carried out at the secluded base surrounded by a communist dictatorship. All the while, MCM expected that Navy would faithfully protect and safeguard the American public interest by moving on to award the solicited contract to MCM or re-solicit the requirement. Without precedent, MCM now understands that the Navy has indefinitely allowed Seaward to transition to the contract sometime in June or later. Incredibly, we understand that only two months ago, the Government stood in open Court in January and doggedly argued that Seaward must complete its transition and take over the Port Operations on February 1st to avoid horrendous damage to the Navy's and the public's interests; arguments that the Court apparently relied upon in denying MCM's protest. Apparently, the real reason was to breathe new life into a failing contractor to the detriment of the Navy and public interest while shunning the faithful performance of MCM.

On turnover day, midnight 1 February 2017 Seaward had not mobilized any personnel for contract transition other than 6 temporary EXPATS, and its unrealistic transition price reflected Seaward's intent to poach MCM's personnel who have been faithfully working at Naval Station Guantanamo Port Ops for 18 years. MCM's Project Manager continuously warned the previous COR (Kenneth Rowe) that all MCM FN workers are under POEA contract with MCM and would be transferring to the MCM school project after the Seaward transition was complete on 31 January 2017. The KO, COR, Navy Region Southeast and all Contractors that bid on the contract were aware of MCM's costly investment in vetting, recruiting, training, transporting and retaining its highly-qualified work force. MCM's only compensation for this continuous investment is to efficiently perform work on the base so MCM prudently executed employee attractive agreements to assure their commitment to the Base including Non-Compete provisions. Apparently, Fleet Logistics Center Jacksonville's strategy is to string out MCM to undermine its reassignment of its work force to its other Base work and allow Seaward time to poach the MCM employees.

The poaching of personnel from other contractors at Guantanamo is not permitted under RFP N68836-16-R-0003 Technical Exhibit 9, Special Conditions for Guantanamo Bay, Cuba Projects. Seaward even held an illegal "job fair" prior to its failed takeover and wrongfully advised MCM's personnel, who were under contract, that they should simply quit and work for Seaward. When Seaward failed to take our personnel, Seaward defaulted. Now the Navy at Jacksonville Region SE and Fleet Logistics Center Jacksonville Contracting Officer has afforded Seaward a near indefinite period to cure this default. We have learned that Seaward is trying to take our foreign national personnel using a new labor agent in the Philippines.

We cannot understand the motivation of Navy Region SE in Jacksonville to compromise the interests of its customer ostensibly to "save face." Navy Region SE was the lead in a previous solicitation for the same contract two years ago, where Seaward, once again, was unusually low with an unrealistic price. (b) (4)

(b) (4) In that solicitation effort MCM filed an Agency level protest and the Navy properly took corrective action acknowledging the unreasonably low pricing. MCM stayed to perform through the new solicitation, and the Fleet Logistics Center Jacksonville re-authored the solicitation to its present form. While it is possible that Seaward may perform adequately on other bases, NS Guantanamo Bay is a unique place with distinct challenges. This is why MCM has spent so many years and resources to train and be prepared for the critical port services mission. Our Servicemen at Guantanamo, those handling the Nation's Mission, deserve unwavering successful performance not failures that compromise the Base Mission. Guantanamo's Commanders want a contractor that can perform, not someone who shows up without a workforce.

We ask that you investigate the matter and seek to remove it from the Jacksonville SE Region level hands, and into Washington D.C. We invite you to call the base Commanding Officer, CAPT David Culpepper, and the Port Services Commander, LCDR Timothy Yeich and seek their candid and honest local Guantanamo Mission Operating opinion of what has happened. The right thing to do is to award the contract to MCM or to re-solicit / Re-compete the contract. Stringing along MCM to erode our work force with short-term extensions while encouraging the improper recruitment of contracted employees compromises the integrity of the competitive procurement system, adds uncertainty to all missions at Guantanamo, and potentially compromises the safety of the warfighters and their families stationed at the base. Action is needed.

Respectfully,
MCM

Pedro Munilla

Rosalyn Lax

From: Pedro R. Munilla
Sent: Tuesday, February 14, 2017 10:57 AM
To: 'Carlos Curbelo'
Cc: 'chris@carloscurbelo.com'; 'Roy@Carloscurbelo.com'
Subject: Request for inquiry as to why NAVFAC has relaxed the Competing Contractor's performance requirements of the mission critical Guantanamo Base Port Operations contract (RFP N68836-16-R-0003) and provided it a month opportunity to cure its default.
Attachments: 20170214 request to Congressman Curbelo.docx

Re: Why has NAVFAC relaxed the Competing Contractor's performance requirements of the mission critical Guantanamo Base Port Operations contract (RFP N68836-16-R-0003) and presumably provided it a month opportunity to cure its default.

Dear Congressman Curbelo:

I write this to respectfully request that you please inquire why NAVSUP FLC relaxed certain solicitation requirements excusing a Contractor's performance failure which caused the Guantanamo Bay Port Operations to shut down, and which shut down was only resolved by NAVSUP FLC's request for Munilla Construction Management (MCM) to temporarily step in. A summary of the history, status of this mission critical contract and support of our request follows:

MCM is a home-grown Miami company run and owned by six Americans (Cuban-born brothers) in the business of building excellence for 35 years. One of our proudest achievements has been to work for NAVSUP FLC running the Port Operations at the Guantanamo Bay Naval Base in the only free part of Cuba, supporting the only US military base wedged into a hostile communist country.

MCM, together with our predecessor are the only private companies to have ever managed the port since the Government outsourced the running of port operations some 15 years ago. The running of the Port Operations is a mission critical lifeline to all at the base. We operate the base with over 80 resident personnel including longtime qualified pilots, craftsmen, and other highly skilled workers. Our trained personnel have been faithfully and fully operating the Guantanamo Bay Port Operations for many years. In 2016 alone, MCM Guantanamo Port Operations conducted 220 ship movements, transported more than 182,000 passengers and 28,000 vehicles on its two ferries, conducted 111 Harbor pilot operations, 61 medical evacuations, and 11 detainee movement operations. It should be noted that all of NAVSUP FLC's evaluations for our Guantanamo Bay Port Operations have been stellar.

Last year the Navy solicited this port operations contract and proposed to award to another contractor. Although disappointed with the Navy's decision (we had questioned the awardee's pricing and ability to perform), we cooperated to transition the work to the other company. However, on the day of turnover (after 30 days of transition), the awardee showed up unprepared with a handful of employees (5-7) and the port was immediately shut down. Faced with the failure of a mission critical contract, and despite having no funding for an extension to our current contract, at the request of the Contracting officer, MCM immediately dove in and restarted port operations.

The Port is open today because MCM is still operating it. These actions were critical, accentuated by an emergency medical evacuation conducted the day MCM re-commenced operations. Thirteen days after the Contractor's performance failure, we are still performing the Work. We are concerned the one month extension was issued to MCM to give the defaulted Contractor the opportunity to cure its breach by granting it extra time to assemble personnel/equipment/lodging etc., that was not afforded to the other bidders. Most respectfully, our servicemen deserve the performance that was required by the solicitation for which we competed for the contract award.

It is important to note that the contract for which our firm competed, which was ultimately awarded to the competing Contractor, provides that the Navy may terminate for default upon such a catastrophic performance failure. We cannot understand why the Navy would relax these solicitation requirements to excuse the Contractor's performance failure of shutting down the port and we fear that other requirements may be relaxed as well.

We invested years of salaries, training, recruiting, travel expenses and company management time to cultivate and develop our highly skilled workforce of mechanics, ship captains, rescue swimmers and engineers. Apparently, this Contractor may

have low balled the price to get the work without the required workforce. In fact, he has threatened to sue us for not giving him our employees (these highly valued employees have other work for us on the base, if we do not continue the port operations). The Navy has not released to us a copy of the CURE notice or other documents that were sent to the Contractor upon its failure. We are only asking that we be treated fairly and, more importantly, that the Navy insist upon the service upon which we competed. We would greatly appreciate your help with this critical work.

Thanking you in advance for your anticipated considerations

Sincerely,

MCM

Pedro Munilla



March 15, 2017

Congressman Mario Diaz-Balart
US Representative

Via Email

c/o Miguel Otero, Deputy Chief of Staff

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Rosalyn Lax

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To: 'miguel.otero@mail.house.gov'
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Attachments: 20170214 request to Congressman Diaz-Balart.docx
Importance: High

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